



KLF Legal Briefs

SPECIAL POINTS OF INTEREST:

- According to a recent *Common Ground* Survey, 33 percent of respondents reported that their association has been a victim of fraud or embezzlement.
- HICPA is a response to shady contractors.
- Brian Koeberle negotiates numerous athlete endorsement agreements.

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VOLUME 4, ISSUE 2

FALL 2013 EDITION

Licensing of Community Association Managers

A recent article in the November/December 2013 edition of *Common Ground*, which is the Community Associations Institute's Magazine for Community Association Leaders, addressed the pros and cons of requiring Community Association Managers to become licensed. After reading Tamara Lytle's well-written overview of the current debate on this issue, I am convinced that the pros outweigh the cons.

As Ms. Lytle reports, critics of licensing tend to point out the bureaucratic red tape and added cost of requiring community association managers to be licensed by the state where they manage a commu-

nity association. Others say that licensing will not prevent unethical behavior by certain community association managers. While all of that is more than likely true to some extent, I believe the opponents of licensing are missing the main point in requiring state licensing of certain professionals - whether it be an attorney, doctor, real estate agent or community association manager - which is to require a minimum level of competency and accountability for such professionals.

Equally important, licensing will provide aggrieved homeowners and HOA boards with a measure of recourse against unethi-

cal managers, who could lose their licenses.

Keep in mind that community association managers are fiduciaries entrusted with handling hundreds of thousands of dollars for many communities. In addition, community association managers are in a position to make decisions for the community that can positively (or negatively) affect home values. To not require some type of licensing, criminal background check, and continuing education requirements for managers that wield an enormous amount of power over a common interest community could be a recipe for disaster for a community taken advantage of by an unscrupulous manager.

Home Improvement Consumer Protection Act

Most reputable Home Improvement Contractors know that they have to register with the Bureau of Consumer Protection in the Office of the Pennsylvania Attorney General as required by the PA Home Improvement Consumer Protection Act ("HICPA"). But many are unaware of some of the other important requirements of HICPA. For instance, contractors must now include their PA registration number in all advertisements and on all contracts, estimates and proposals. And any contract over \$500 must be legible, in writing, and at a minimum contain the following:

1. Name, address, telephone number, and registration number of the contractor;
2. Date of the transaction;
3. Approximate starting date and completion date;
4. Description of the work to be performed, materials to be used, and set of specs;
5. Total sales price;
6. Amount of down payment (no more than 1/3);
7. Amount advanced for any special order items;
8. Constitutes entire agreement, including copies of any required notices;
9. Names, addresses and phone numbers of any known sub-contractors;
10. Agreement to maintain a minimum amount of liability insurance, and list the current amount of insurance that the contractor has;
11. Toll free # of the Bureau of Consumer Protection;
12. Right of Rescission Notice;
13. Any Change Orders must be in writing signed by both the owner and contractor;
14. Contract must be signed by both the owner and the contractor and the owner must receive a copy.

A contract that does not comply is not valid or enforceable against the owner. And a violation of HICPA is now also a violation of the Unfair Trade Practices Law.



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The Koeberle Law firm is a boutique firm catering to the legal needs of both small businesses and individuals. We concentrate our practice in the following areas:

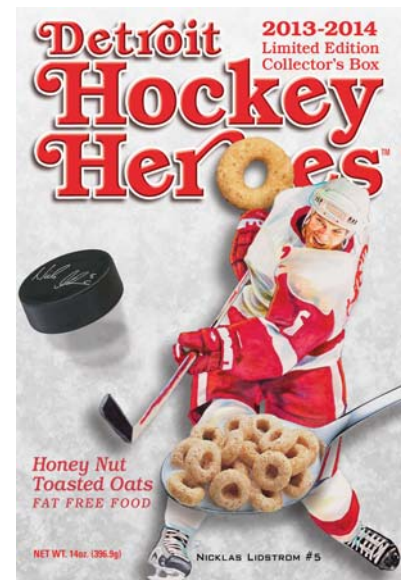
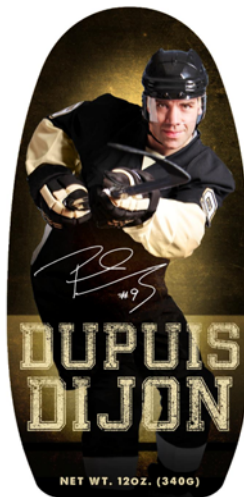
- Small Business Representation
- Estate Planning/Wills & Trusts
- Real Estate Law/Community Association Law
- Sports & Entertainment Law

For further information, please contact Brian Koeberle at 412-788-9554 or email me at brian@koeberlelaw.com.

Recent Athlete Endorsement Agreements!

Attorney Brian Koeberle has been busy negotiating a number of athlete endorsement agreements this Fall, most notably:

- Pascal Dupuis, Penguins
- Niklas Lidstrom, Red Wings
- Justin Verlander, Tigers
- Jerod Mayo, Patriots



This newsletter is intended for general informational purposes only and is not intended to provide specific legal advice. If you have a specific legal issue or question, you should consult with an attorney licensed to practice law in your state or jurisdiction.